



**EXTRA CREDIT TEACHER HOME PURCHASE PROGRAM  
(Extra Credit Teacher Program)**

<b>PROGRAM DESCRIPTION</b>	<p>The <b>Extra Credit Teacher Program (ECTP)</b> makes homeownership a possibility for eligible teachers, administrators, classified employees and staff members who otherwise may not be able to purchase a home. It is intended to help high priority schools attract and retain education professionals. The incentive comes in the form of loan financing and down payment assistance for the purchase of a primary residence anywhere in California, within sales price and income limits established for each county. The program consists of two loans:</p> <ol style="list-style-type: none"><li>1. A CalHFA below market rate first mortgage loan, and</li><li>2. A deferred payment, second mortgage loan:<ul style="list-style-type: none"><li>• Of an amount not to exceed the greater of \$7,500 or 3% of the sales price in CalHFA-defined statewide non-high cost areas or;</li><li>• Of an amount not to exceed the greater of \$15,000 or 3% of the sales price in CalHFA-defined high cost areas.</li></ul></li></ol> <p>List of high cost and statewide non-high cost areas can be found at: <a href="http://www.calhfa.ca.gov/homeownership/information/counties.htm">www.calhfa.ca.gov/homeownership/information/counties.htm</a></p> <p>Interest on the second loan is deferred and may be reduced to zero if the borrower meets continued eligibility requirements.</p> <p>In addition, CalHFA will permit homebuyers to use other CalHFA-approved downpayment assistance loans or grants to help in the acquisition of the home. A list of potential opportunities can be found at: <a href="http://www.calhfa.ca.gov/homeownership/programs/ahpp.htm">www.calhfa.ca.gov/homeownership/programs/ahpp.htm</a></p>
<b>TARGET MARKETS</b>	<p>This program is intended for eligible teachers, administrators, classified employees and staff members in high priority schools across the state. <a href="http://www.treasurer.ca.gov/csfa/extracredit/citysort.asp">www.treasurer.ca.gov/csfa/extracredit/citysort.asp</a></p>
<b>PARTICIPATING LENDERS</b>	<p>CalHFA approved lenders. <a href="http://www.calhfa.ca.gov/homeownership/approvedlenders/index.htm">www.calhfa.ca.gov/homeownership/approvedlenders/index.htm</a></p>
<b>BORROWER ELIGIBILITY</b>	<p>Borrowers must meet the following requirements:</p> <ul style="list-style-type: none"><li>• Be a U.S. citizen or permanent resident alien or qualified alien</li><li>• Be a first-time homebuyer</li><li>• Occupy the property as a primary residence; non-occupant co-borrowers are not allowed</li><li>• Be currently employed in a public or charter school that scores in the bottom fifty percent (50%) statewide Rank Academic Performance Index (API ranks 1-5), or be assigned to a School District but teach in, provide administration in or provide service to at least one High Priority School</li><li>• Within CalHFA-defined income limits</li><li>• Meet credit, income and loan requirements of the CalHFA lender and the mortgage insurer</li><li>• Hold an appropriate credential for a teacher, administrator or staff member (Extra Credit Teacher Program Credential List)</li></ul>

	<p><a href="http://www.calhfa.ca.gov/homeownership/programs/ectp.htm#2">www.calhfa.ca.gov/homeownership/programs/ectp.htm#2</a>, or be employed as a Classified Employee. "Classified Employee" means an employee of a school district, employed in a position not requiring certification qualifications.</p> <ul style="list-style-type: none"><li>• Intend to work for three years continuously from the date of the loan in a high priority school.</li></ul>
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<b>ELIGIBLE CREDENTIAL LIST</b>	<p><b><u>For Teachers:</u></b></p> <p>Single Subject Teaching Credential  Multiple Subject Teaching Credential  Specialist Instruction Credential in Special Education  Education Specialist Instruction Credential  Standard Elementary Teaching Credential  Standard Secondary Teaching Credential  Standard Early Childhood Education Teaching Credential  Standard Restricted Special Education Teaching Credential  General Kindergarten-Primary Teaching Credential  General Elementary Teaching Credential  General Junior High Teaching Credential  General Secondary Teaching Credential  Special Secondary Teaching Credential in Art  Special Credential for Teaching Exceptional Children  Special Secondary Teaching Credential in Business Ed  Special Secondary Credential for Teaching the Blind  Special Secondary Teaching Credential in Homemaking  Special Secondary Teaching Credential in Industrial Arts  Special Secondary Credential for Teaching Lip Reading  Special Secondary Teaching Credential in Music  Special Secondary Limited Teaching Credential in Music  Special Secondary Teaching Credential Limited in Agriculture  Special Secondary Credential for Teaching the Partially Sighted Child  Special Secondary Teaching Credential in Physical Education  Special Secondary Speech Arts  Special Secondary Teaching Credential in Correction of Speech Defects  Special Secondary Credential for Teaching the Mentally Retarded</p> <p><b><u>For Administrators:</u></b></p> <p>Administrative Services Credential  General Secondary School Administration Credential  Administrative Services Credential (Examination)  General Secondary School Supervision Credential  Standard Supervision Credential  General Administration Credential  Standard Administration Credential  General Supervision Credential  General Elementary School Administration Credential  The Supervision Credential  General Elementary School Supervision Credential  General School Principal or Supervisor Credential</p> <p><b><u>For Staff Members:</u></b></p> <p>School Nurse Credential  Clinical or Rehabilitation Service Credential  Pupil Personnel Services Credential - (e.g. School Counseling, School Social Work, School Psychology and Child Welfare and Attendance)  Library Media Teacher Service Credential  Designated Subjects Vocational Education Teaching Credential</p>
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<b>ELIGIBLE CLASSIFIED EMPLOYEES</b>	<b><u>For Classified Employees:</u></b> Classified Employee means an employee of a school district, employed in a position not requiring certification qualifications.
<b>PROPERTY ELIGIBILITY</b>	Properties must meet the following requirements: <ul style="list-style-type: none"> <li>• Within CalHFA-defined sales price limits</li> <li>• Be a single-family, one-unit residence, including condo/PUDs</li> <li>• Manufactured housing is allowable if permanently attached, fee simple title</li> </ul>
<b>TRANSACTION TYPE</b>	Purchase transactions only.
<b>INTEREST RATE</b>	CalHFA offers a unique interest rate for this program. A list of current rates is available by either contacting a CalHFA-approved Lender or visiting the Agency's web site at <a href="http://www.calhfa.ca.gov">www.calhfa.ca.gov</a>
<b>MAXIMUM LOAN AMOUNT</b>	First loan: Maximum as allowed by mortgage insurer, subject to borrower credit eligibility. Second loan: <ul style="list-style-type: none"> <li>▪ Amount not to exceed the greater of \$7,500 or 3% of the sales price in CalHFA defined statewide non-high cost areas or,</li> <li>▪ Amount not to exceed the greater of \$15,000 or 3% of the sales price in CalHFA defined high cost areas.</li> </ul> <p>List of high cost and statewide non-high cost areas can be found at: <a href="http://www.calhfa.ca.gov/homeownership/information/counties.htm">www.calhfa.ca.gov/homeownership/information/counties.htm</a></p>
<b>INCOME LIMITS</b>	Borrower's income cannot exceed CalHFA's income limits established for the county in which the borrower is purchasing. <a href="http://www.calhfa.ca.gov/homeownership/rates-limits/income/index.htm">www.calhfa.ca.gov/homeownership/rates-limits/income/index.htm</a>
<b>SALES PRICE LIMITS</b>	Sales price of the home cannot exceed CalHFA's published sales price limits. <a href="http://www.calhfa.ca.gov/homeownership/rates-limits/salesprice/index.htm">www.calhfa.ca.gov/homeownership/rates-limits/salesprice/index.htm</a>
<b>MORTGAGE INSURANCE</b>	Mortgage insurance is required unless the loan-to-value (LTV) on the first loan is 80% or less. Acceptable mortgage insurers/guarantors include: FHA, VA, & CalHFA's Mortgage Insurance Division.
<b>INTEREST FORGIVENESS ON THE SECOND LOAN</b>	Interest on the second loan may be reduced to zero if the borrower meets continued eligibility by remaining employed in a high priority school on a continuous basis for three years from the date specified on the second loan documents. The interest rate on the second loan will be reduced by 1% for each full year borrower remains employed in a high priority school, up to a maximum of three years. At the end of three years, the rate is reduced to zero. In the event of termination of employment during the first three years, the interest rate on the second loan will accrue at the last reduced rate (if applicable) that the borrower met continued eligibility.
<b>REPAYMENT OF SECOND LOAN</b>	Repayment of the principal and interest on the second loan shall be due and payable at the earlier of the following events: <ul style="list-style-type: none"> <li>• Transfer of title</li> <li>• Sale of the residence</li> <li>• Payoff or refinance of the first loan</li> <li>• Upon the formal filing and recording of a Notice of Default (unless rescinded)</li> </ul>

<b>PROGRAM RESTRICTIONS</b>	ECTP cannot be combined with CalHFA's California Homebuyer's Downpayment Assistance Program (CHDAP) or the Homeownership In Revitalization Areas Program (HIRAP).
<b>HOW TO APPLY</b>	For instructions on applying for financing contact one of CalHFA's approved lenders or visit our web site at: <a href="http://www.calhfa.ca.gov/homeownership/programs/ectp.htm#3">www.calhfa.ca.gov/homeownership/programs/ectp.htm#3</a> .
<b>QUESTIONS</b>	Questions regarding the Extra Credit Teacher Program should be directed to CalHFA approved lenders or the CalHFA's Homeownership Division-Special Programs at: <ul style="list-style-type: none"> <li>• P.O. Box 4034, Sacramento, CA 95812</li> <li>• Phone: 916.324.8088</li> <li>• Email: <a href="mailto:homeownership@calhfa.ca.gov">homeownership@calhfa.ca.gov</a></li> <li>• Web site: <a href="http://www.calhfa.ca.gov">www.calhfa.ca.gov</a></li> </ul>

**IMPORTANT DISCLOSURE INFORMATION:**

The information provided in this program description is for guidance only. While we have taken care to provide accurate information, we cannot cover every circumstance nor program nuance. This program description is subject to change from time to time without prior notice. CalHFA does not discriminate on the basis of disability in employment or in the admission and access to its programs or activities.